

EAST BERLIN AREA JOINT AUTHORITY  
128 WATER STREET  
EAST BERLIN, PA 17316

February 7, 2008

The meeting of the East Berlin Area Joint Authority was held February 7, 2008 at 7 PM. The meeting was held at East Berlin Borough Office, 128 Water Street East Berlin, PA. The meeting opened with the Pledge of Allegiance.

**Members Present:** Gerald L. Mummert, Chairman; Charles Eisenhart; John Lerew; John O'Brien; and Gregory Green.

**Members Absent:** None

**Also Present:** Solicitor Matthew Battersby; Bruce Hulshizer of Buchart-Horn, Inc.; Retired Borough Manager, T. Michael Thoman; Authority Secretary, Hannelore B. Furst; Robert Clayton; David Richards; Doris Sabine; Ken Young; David Woodward; Jan Hoffman; and Jacque Hoffman.

**Public Comment:**

David Richards spoke about the agreement that established the authority and he mentioned he distributed a letter last month at the Borough Council Meeting. He stated at this month's council meeting he set up a reporting system for working hours and truck mileages that would allow a better allocation of resources than the 60/40 split in the agreement. He thinks a creation of a working group composed of people from Borough Council and the Authority would be the best way to go over the problems, and settling this without difficulty.

John Lerew stated he thought this was a good idea to get the flow of information back and forth because there will be a lot of things shared and we will need to get input on. Chairman Mummert asked if there was a time frame to get together. It was suggested the sooner the better. Solicitor Battersby suggested it should be 2 people from each group so there is no quorum. John Lerew and Charles Eisenhart volunteered to be the liaisons between the Authority and Council and will try to set up a meeting within the next week. John Lerew stated this will be 4 common sense people getting together informally.

Jan Hoffman was the next speaker. She asked if the new Sewer Plant plans were available for the public to look at. She was told it was available at the Authority Office to view. Bruce Hulshizer stated the plans are not bid documents but they are all ready to be submitted as such.

**New Business:** *A motion was made by John Lerew and seconded by John O'Brien to approve January 8, 2008 minutes as written. Motion Carried.*

*Gregory Green made the motion to pay the bills and Charles Eisenhart seconded it; then Chairman Mummert mentioned there are some new bills to be paid this month; so John O'Brien made the mention to add those bills and Charles Eisenhart seconded this motion. Motion Carried.*

*Gregory Green made a motion to advertise for an Audit for 2008 for the Authority; John O'Brien seconded the motion. A discussion was held and John Lerew felt that if the Authority used the same auditors as the Borough they could possibly save money. The Authority wouldn't need an auditing firm until the end of the year. John O'Brien made the motion to table advertising for an auditing firm and Charles Eisenhart seconded the motion. Motion Carried.*

*John Lerew made a motion and Gregory Green seconded the motion to advertise for Ordinance 1-2008. They discussed the ordinance and it was stated the wording was changed from East Berlin Borough to East Berlin Area Joint Authority. Motion Carried.*

*Charles Eisenhart made a motion and John Lerew seconded the motion to advertise for Ordinance 2-2008. There was no discussion. Motion Carried.*

Chairman Mummert received a letter dated January 15, 2008 from BD Equities, LP to reduce the Standby Letter of Credit by an additional \$91,642.14. The original Letter of Credit was for \$224,400.00 and was reduced at the January 8, 2008 meeting by \$101,419.63. BD Equities is now requesting another reduction. The invoices BD Equities listed as paid were checked and are correct. BD Equities is also requesting that we release the \$50,000.00 that was set aside for the cost for the design of the 537 Plan. Chairman Mummert stated his opinion that we approve the reduction the Letter of Credit, but retain the \$50,000.00 in escrow. According to Bruce Hulshizer the bank called the \$50,000.00 in escrow as the Act 537 design; but Act 537 is not a design, so in essences in his mind the Act 537 is past. Bruce believes that the \$50,000.00 is for the agreement that was signed and the money was put in escrow for the whole project. Solicitor Battersby recommends the reduction to the Letter of Credit by \$91,642.14.

*John O'Brien made the motion to reduce the Letter of Credit by \$91,642.14 and Gregory Green seconded the motion. Motion Carried.*

*Charles Eisenhart made the motion to retain the \$50,000.00 in escrow and John Lerew seconded the motion. It was discussed that Bruce Hulshizer would make Randy Test aware that the \$50,000.00 would still be held in escrow until the project is finished. Motion Carried.*

#### **Solicitor Report:**

Solicitor Matt Battersby stated he will start proceedings against Earl Brown for his past due water and sewer bills. There will be some extra charges because he lives and owns property in York County, and this is for the property he owns in Adams County. The total amount owed is \$5,539.06 as of today's date.

Solicitor Battersby needs more Tax map information from Bruce. Bruce stated he had more for Matt, but was waiting on feedback from Met-Ed concerning the right-of-way that goes through the park property; he wants to make sure he has everything right.

#### **Engineer Report:**

Chairman Mummert entertained a motion to pay the inspection fees to MDIA for the new sewer plant. *The motion was made by John Lerew and seconded by Charles Eisenhart to pay the inspection fees, instead of putting them in the bid.* A discussion was held on the inspection fees. **Motion Carried.**

Bruce Hulshizer of Buchart-Horn updated the Authority that there are a few permits that he is waiting on. One is the draft permit from DEP; they have to wait 30 days for the comment period, and then DEP sends the final permit. He feels they are on track with the permits. They should wait until next month to advertise for bids, so at the March meeting the Authority should consider authorizing him to advertise for bids.

Charles Eisenhart made a request to start gathering information on financial institutions for loans. There is a possibility they may have to call a special meeting.

John Lerew stated he had a couple questions he wanted to ask pertaining to the new sewer plant. His first question is: How much capacity is this going to be in excess of we have now? Bruce Hulshizer replied it will have the same capacity as they have now, but with a new plant. This information is based on the zoning and the 537 Plan. The zoning is because of how many lots could be built in the Borough.

Mr. Lerew stated he attended a public meeting and at that meeting Mr. Aiello made a statement that some other area only paid \$2,000,000.00 for their sewer plant and we are paying \$5,000,000.00; why the big difference in price. Bruce stated we already talked about this before; but we had meetings with Reading Township and they were sure they could get a sewer treatment plant at a bargain basement price. Bruce stated they had meetings with their engineer's but the bottom line is you are not paying any more than you should be. If the price Buchart-Horn gave is really over rated price; which it's not; CW Test would be screaming about the price. Bruce also stated the Borough has a cap on their price; which is 1.6 million; but CW Test does not have a cap. If it goes above a certain amount then Mr. Test can start talking. John Lerew continued; he wanted to make sure he had his information correct. He stated CW Test will be putting in all the new lines. Bruce stated he (CW Test) has the development, so everything out there including the pump station, sewer lines, and the water facilities; CW Test is paying for; they have nothing to do with any dollar amount we are talking about here. The pump station will be deeded over to the Authority. The Authority was set up because you went outside the Borough limits. Bruce continues the part of the Act 537 Plan that the engineers looked at from the square down Water Street to the plant there is not enough capacity; so we are replacing the lines with bigger pipes, and building a new treatment plant. Of this cost, the new interceptor lines and new treatment plant the Authority's share is 1.6 million, CW Test is paying the rest. There is a provision in the agreement that if it goes above 4.6 million, he can think about getting out of the project. There is another part of the project which is the northwest interceptor that is not being paid by CW Test; so it's not a total of 1.6 million; but 1.6 million plus the cost of the northwest interceptor so that is why we say 2.5 million.

John Lerew asked about the 2 wells that were discussed at a Borough Council meeting. Bruce informed Mr. Lerew that as part of the agreement Test is putting in the 2 permitted wells and the elevated storage tank and deeding this all over to the Authority. John Lerew asked about the water revenues and where that will be going. He was told the revenues would all come back to East Berlin Authority. Mr. Lerew stated; we own it, operate it, and collect the fees and CW Test is going to pay for it. Charles Eisenhart stated Hamilton Township didn't want to get into the sewer and water business. Mr. Lerew just wanted to understand what the deal was because there are so many rumors floating around. He stated at least now he is more informed. Chairman Mummert stated the advantages of this agreement were we would have a brand new sewer plant and 2 additional wells. By bringing Test in you get him sharing in the cost. John Lerew thanked Bruce for all the information. They then continued on to other business.

*Charles Eisenhart made a motion that the Plant Manager be authorized to sign any upcoming documents that the Authority needs signed. John Lerew seconded the motion. **Motion Carried.***

*Charles Eisenhart made a motion to hire T. Michael Thoman as a part-time employee as the plant manager for the Authority. Gregory Green seconded the motion. **Motion Carried.***

Having nothing else to discuss, Chairman Mummert adjourned the meeting at 7:50 PM to go into an Executive Session for personnel matters.

Respectfully submitted

*Hannelore B. Furst*

Hannelore B. Furst,  
East Berlin Area Joint Authority Secretary